

State of Alaska FY2008 Governor's Operating Budget

Department of Labor and Workforce Development Alaska Vocational Technical Center Component Budget Summary

Component: Alaska Vocational Technical Center

Contribution to Department's Mission

The Alaska Vocational Technical Center contributes to the department's mission by providing market-driven vocational and technical training to prepare state residents for jobs that are Alaska's future.

Core Services

The Alaska Vocational Technical Center (AVTEC) is the public post-secondary vocational technical education and training agency of the Department of Labor & Workforce Development that provides vocational technical education programs for Alaskans across the state. AVTEC offers 16 long-term vocational technical training programs in occupations relating to Alaska's expanding and unique economy. In addition, AVTEC provides a wide variety of short-term training and education programs to hundreds of Alaskans in many communities annually. Short-term training is generally customized industry-specific training that varies in length from one day to six weeks.

Construction Industry - Structural and Pipe Welding Technology Programs use the latest equipment found in today's workplace to provide skills and abilities in demand in Alaska's construction industry. The Industrial Electrical Program is the only one of its kind in Alaska. Its graduates are highly sought after by employers for their technical skills and knowledge from basic electrical principles to their ability to troubleshoot and maintain the most advanced programmable logic controllers found in process technology and construction industries. Facility Maintenance Programs, both mechanical and construction, are building houses from the foundation up, to graduate students ready to tackle the demands of our high-tech construction and maintenance industries, both residential and commercial.

Health Care Industry - AVTEC's Anchorage-based Allied Health Department's Certified Nurse Assistant (CNA) and Licensed Practical Nurse (LPN) courses are nationally accredited and approved by the State of Board of Nursing. These programs operate in a collaborative effort between AVTEC and Providence Health System Alaska to increase the number of entry-level CNAs and professional level LPNs to alleviate severe staffing shortages in Alaska. The career ladder approach used by AVTEC provides opportunities for Alaskans to progress in their profession to become registered nurses.

Information Technology Industry - The industry certifications students can receive through this program include A+, Microsoft MCSE, Cisco CCNA, and CompTIA Net+. The Web Development Technology program, the only program of its kind in Alaska, was developed at the request of the industry advisory board to prepare students as Certified Internet Webmasters. Customized information technology training is also being delivered to State of Alaska employees to introduce new computer software skills or upgrade skills to meet new and emerging information technology needs.

Transportation Industry - Alaska Maritime Training Center incorporates its state-of-the-art multi-bridge maritime simulator to provide a wide variety of Coast Guard approved licensing classes for incumbent and new mariners. Maritime training programs include OUPV/Master Mate, Master 100 Ton, Master Unlimited, and Merchant Mariner's Document. The Heavy and Diesel Technology and Automotive Technology programs provide nationally recognized training to gain employment within the automotive and diesel/heavy maintenance and repair industries.

Hospitality Industry - AVTEC's Alaska Culinary Academy is nationally certified and accredited by the American Culinary Federation. Graduates are prepared and certified to work in the best restaurants in Alaska or to start their own businesses to meet Alaska's growing hospitality needs. AVTEC is also home for the only approved practical testing facility in the State to provide certification evaluation for Alaska's chefs.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$10,701,700	Personnel:	
	Full time	21
	Part time	54
	Total	75

Key Component Challenges

The key issues facing AVTEC are first, instructor professional development; second, increase and improve marketing; third, expand and add training programs, and fourth upkeep and maintenance of facilities.

First, AVTEC must provide its newly hired industry technicians with the instructional skills essential to be effective in the classroom. AVTEC must develop and deliver in-house instructional professional development training to its staff in order to ensure the continued quality of its training. There are no alternative training opportunities in the state.

Second, AVTEC must develop and deploy a comprehensive marketing strategy to inform and recruit Alaskans to the training programs AVTEC has to offer. Outside schools are luring Alaskans out of the state to attend expensive training that is available at a fraction of the cost right here in Alaska.

Third, expand capability (infrastructure, instructional staff, and programs) to meet the increasing workforce development needs of the State. AVTEC will meet these workforce challenges in the construction industry with expanded construction trades and facility maintenance programs. Information Technology, distance programs, and staff will deliver training to anyone anywhere in Alaska that has a computer connected to the Internet. Transportation industry needs will be met with expanded maritime programs for all levels of maritime training inside the state, and a commercial drivers license program to meet the increasing demand for long-haul trucking in support of construction, mining, and pipeline industries. Due to industry demand, AVTEC will expand healthcare training to all parts of the state through distance delivery methods. The \$124.7 increment in TVEP funds will pay for increased cost of training programs. For example, welding metals and gases costs have doubled in the last year and the cost of electrical wiring has tripled from last year.

Fourth, AVTEC has 12 buildings that range in age from 25-55 years, one 3 year old 48-bed dormitory, and one leased building in Seward. Some of these buildings have exceeded their useful life or were built to accommodate temporary purposes but are still in use. Roof replacements, boiler replacements, sewer, plumbing, and electrical upgrades are ongoing to keep facilities useful and up to current codes. Continued appropriations of deferred maintenance and capital funds are needed to keep AVTEC from diverting its operational training funds to keep facilities safe and functional. The \$94.8 GF increase will provide for 1 seasonal full-time custodian and increases in utility and heating fuel costs to keep structures safe and functional for staff and students.

Significant Changes in Results to be Delivered in FY2008

AVTEC has received a federal Economic Development Administration (EDA) grant for distance training equipment and is requesting a CIP to provide \$750.0 in Federal authorization and \$329.0 in General Funds for a portion of the match requirements. This grant will fund costs for providing video/teleconference equipment and network services that will connect AVTEC with Regional Training Centers across Alaska for distance delivered training. As a result of this project 5 or 6 training centers in rural Alaska will receive distance technology equipment and staff training in its use. This will greatly improve access to vocational/technical training for rural Alaskans in these regions.

AVTEC anticipates results equal to that of FY07 for students that complete long-term training programs and are subsequently placed in jobs in their training area.

Major Component Accomplishments in 2006

- Enrolled a total a total of 1,243 students in FY06. Of those, 385 were enrolled in long-term (six weeks or longer) training programs with a completion rate of 81%.

- 9 LPN graduates were accepted into the second year of UAA's School of Nursing Associate of Applied Science degree through the AVTEC/UAA articulation agreement.
- Partnered with the Alaska Energy Authority (AEA) to develop a Hydro-Power Generation Plant Operators course, the first of its kind in Alaska. It provides essential training in Alaska rather than AEA sending students out of state each year to a program in Colorado. The training was developed in FY06 and training is to begin in the fall of FY07.
- Developed a Math for the Trades online course in partnership with Alaska Works Partnership and Plumbers and Pipefitters to support union apprenticeship coordinators' need to increase math skills for apprentice applicants. Training provided by this program can be accessed from anywhere in Alaska with a capacity to serve 60-80 students.
- Received a WIA Youth Grant to recruit and provide supportive services to Alaska's youth ages 17-21. Served 27 eligible youth and earned continued grant funding for FY07. This program increased retention in that age group from 40% to 77% and 90% were employed within the first month of completion of their training.
- AVTEC's Culinary program hosted the American Culinary Federation reaccreditation team and received continued accreditation for three more years. AVTEC sent a student team to compete in the Western Region Culinary competition in Hawaii and took third place in the small school category.
- Facility Maintenance Construction training students built a house through a partnership with North Pacific Rim Housing Authority and funding from the Denali Training Fund. The excellent results earned continued grant funding to build a second house in FY07.
- AVTEC began construction of the new Connected Education Center in partnership with the federal Economic Development Administration. This will facilitate distance-delivered vocational training anywhere in Alaska, with a focus on rural Alaska's Regional Training Centers.

Statutory and Regulatory Authority

Statutory Authority:

AS 14.07.020

AS 44.27.020(1)

AS 37.07.020(e)

Provide Post Secondary Vocational Technical Education
Administer Post Secondary Vocational Technical
Education

Propose Budget for Facility Operations,
Maintenance, Repairs, and Renewals/Replacements

Contact Information
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**Alaska Vocational Technical Center
Component Financial Summary**

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,926.1	5,556.4	6,449.0
72000 Travel	46.1	61.7	66.7
73000 Services	2,192.4	2,476.2	2,697.1
74000 Commodities	867.1	1,006.2	1,100.4
75000 Capital Outlay	119.2	41.5	41.5
77000 Grants, Benefits	265.9	347.0	347.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	8,416.8	9,489.0	10,701.7
Funding Sources:			
1002 Federal Receipts	211.5	450.0	450.0
1004 General Fund Receipts	3,648.2	4,824.3	5,787.5
1007 Inter-Agency Receipts	1,165.9	705.6	713.3
1151 Technical Vocational Education Program Account	1,129.0	1,129.0	1,253.7
1156 Receipt Supported Services	2,262.2	2,380.1	2,497.2
Funding Totals	8,416.8	9,489.0	10,701.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Unrestricted Revenues				
Technical Vocational Education Program	51433	1,129.0	1,129.0	1,253.7
Unrestricted Total		1,129.0	1,129.0	1,253.7
Restricted Revenues				
Federal Receipts	51010	211.5	450.0	450.0
Interagency Receipts	51015	1,165.9	705.6	713.3
Receipt Supported Services	51073	2,262.2	2,380.1	2,497.2
Restricted Total		3,639.6	3,535.7	3,660.5
Total Estimated Revenues		4,768.6	4,664.7	4,914.2

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	4,824.3	450.0	4,214.7	9,489.0
Adjustments which will continue current level of service:				
-Delete General Funds for First FY 2007 Fuel/Utility Cost Increase Funding Distribution	-74.4	0.0	0.0	-74.4
-FY 08 Wage and Health Insurance Increases for AVTEC	89.2	0.0	7.7	96.9
-FY 08 Health Insurance Increases for Exempt Employees	0.0	0.0	1.5	1.5
-Fund Source Adjustment for TRS Increases	1.9	0.0	-1.9	0.0
-Fund Source Adjustment for Retirement Systems Increases	175.6	0.0	-175.6	0.0
Proposed budget increases:				
-Increase Alaska Technical Vocational Education Program Authorization to Align with Available Revenues	0.0	0.0	124.7	124.7
-Increase General Funds for Custodial Costs Associated with New Facilities	50.0	0.0	0.0	50.0
-Increase General Funds for Fuel and Utility Cost Increases	119.2	0.0	0.0	119.2
-Increase General Funds to Support Cafeteria Food Cost Increases	34.5	0.0	0.0	34.5
-FY 08 Teachers Retirement System Rate Increases	404.2	0.0	1.9	406.1
-FY 08 Internal Dept Cost Increase due to Retirement Systems Rate Increases	66.1	0.0	0.0	66.1
-FY 08 Retirement Systems Rate Increases	96.9	0.0	291.2	388.1
FY2008 Governor	5,787.5	450.0	4,464.2	10,701.7

**Alaska Vocational Technical Center
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	21	21	Annual Salaries	3,855,876
Part-time	54	54	COLA	113,003
Nonpermanent	2	2	Premium Pay	46,890
			Annual Benefits	2,819,774
			<i>Less 5.65% Vacancy Factor</i>	(386,543)
			Lump Sum Premium Pay	0
Totals	77	77	Total Personal Services	6,449,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	0	0	1	1
Accounting Clerk II	0	0	0	1	1
Accounting Tech II	0	0	0	1	1
Administrative Assistant	0	0	0	1	1
Administrative Clerk II	0	0	0	1	1
Asst.Dir.Instruction & Housing	0	0	0	1	1
AVTEC Instructor	2	0	0	15	17
Business Svcs Administrator	0	0	0	1	1
Department Head - AVTEC	0	0	0	5	5
Division Director	0	0	0	1	1
Dormitory Attendant	0	0	0	4	4
Education Assoc III	0	0	0	1	1
Education Prog Assistant	1	0	0	4	5
Food Service Journey	0	0	0	3	3
Food Service Lead	0	0	0	1	1
Food Service Sub Journey	0	0	0	2	2
Instructors Aide II	0	0	0	6	6
Micro/Network Tech II	0	0	0	1	1
Recreation Assistant	0	0	0	1	1
Student Worker	0	0	0	1	1
Sub Teacher - AVTEC	0	0	0	1	1
Supply Technician II	0	0	0	1	1
Teacher - AVTEC	3	0	0	16	19
Work Force Dev Spec I	0	0	0	1	1
Totals	6	0	0	71	77